



20 February 2018

## ASX Announcement

### 1. Breach of Listing Rule 7.1

Jatenergy Limited (the “Company”) has exceeded its capacity to issue equity securities without shareholder approval under listing rule 7.1 by 71,314,083 equity securities. The relevant shares issued were as follows:

Date	Number of shares issued	Excess in breach of Listing rule 7.1
29 November 2017	12,966,665	5,664,926
8 December 2017	22,115,870	27,780,796
11 December 2017	43,533,287	71,314,083

### Remedial Action

As a result of the breach of listing rule 7.1, the ASX requires the Company to do the following:

- a. Provide to ASX an undertaking not to issue any equity securities without shareholder approval until 2 September 2020, unless the issue comes within an exception in listing rule 7.2. The Company has provided the undertaking.
- b. JAT will be ineligible to seek shareholder approval pursuant to listing rule 7.1A to entitle it to an additional 10% placement capacity until at least its annual general meeting after 2 September 2020.
- c. Make periodic disclosure in each half year and full year and annual report until 2 September 2020 regarding its inability to issue any new securities without prior security holder approval, unless the issue comes within an exception in listing rule 7.2.
- d. Irrespective of whether the Company has or has not obtained shareholder approval to make issues under listing rule 7.1A, the Company must complete the relevant annexure attached to each Appendix 3B for at least the next three years for each issue of securities made by the Company.

### 2. Breach of Listing Rule 10.11

The Directors of Jatenergy Limited (the “Company”) were issued shares (the “Directors’ Shares”) on 11 December 2017 pursuant to the Security Purchase Plan as follows:

Director	Number of shares issued
Anthony Crimmins	1,999,998
Wilton Yao	666,666
Xipeng Li	666,666
<b>TOTAL</b>	<b>3,333,330</b>

The issue of the Directors' Shares was in breach of listing rule 10.11 as the Company could not rely on the exception in listing rule 10.12.

### **Remedial Action**

As a result of the breach of listing rule 10.11, the ASX requires the Company to do the following:

- a) Procure that the Directors' Shares are to be sold by 5pm AEST on Monday 30 April 2018, with any loss arising from the sale compared with the issue price of those shares to be borne by the holder, and any profit from the sale of those shares above the price paid for their issue, to be donated to a registered charity; or
- b) Undertake a selective reduction in share capital in relation to the Directors' Shares, to be undertaken at the price at which the Directors' Shares were issued, in compliance with the Corporations Act 2001 (Cth) and the ASX Listing Rules by no later than 5pm AEST on Monday 30 April 2018.

### **3. Release of shares from Voluntary Escrow**

JAT will lift the holding lock in respect of 11,111,111 shares on or after 7 March 2018. The shares were issued on 6 May 2015 and were issued to Mr Zhao Xuan-Feng to raise working capital.

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